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That Israeli 'Burden'

The Evans and Novak column of July 8 ["The Burden of Bailing Out Israel"] is a disturbing distortion of a General Accounting Office report about U.S. aid to Israel. The columnists failed to confer with any representative of the government of Israel before rushing to print.

The claim that Israel "has camouflaged efforts to obtain U.S. financing for the Lebanon invasion" is false. The military campaign in Lebanon has been financed by purely domestic Israeli economic measures spread over three years (1982-1984), stemming from additional taxation on the

Israeli public, that will generate \$1.45 billion in revenues. The campaign in Lebanon required no changes in foreign assistance levels or terms from the United States and none was sought. Israel's aid request for FY 84, which was presented in the fall of 1983, included figures identical to those presented a year earlier.

The column further claims that Israel repeatedly deceived the United States. Israel has never received special favors from the United States that are not fully permitted under U.S. law.

American business and labor directly benefit from U.S. assistance to Israel and do not carry the burden, as the writers charge. The funds available to Israel are used for the purchase of U.S. military and civilian goods, promoting American industry and its economy. The Merkava tank was built in Israel with some U.S. funding, but this was the sole exception to the practice of using such assistance in the United States. But there was nothing secret about the decision by the American government; it was made openly and with consultation with Congress.

The most important part of the GAO report is the part left out by Evans and Novak: the GAO found that the U.S. assistance program is well run and efficient; there were no findings of mismanagement, waste or abuse.

Unlike some countries, Israel has never failed to repay its debts on U.S. loans. Between 1973 and 1982, Israel repaid \$5.072 billion to the United States. This year Israel will pay close to \$1 billion on outstanding loans, an amount that exceeds Israel's 1983 Economic Support Fund allocation appropriated by Congress.

It should be noted that over one-half of U.S. military assistance is in the form of loans, with its interest rate being equal to the cost of the money to the U.S. Treasury. This places into proper perspective the continuing need for U.S. assistance in maintaining a healthy and secure Israel since it is one of the most cost-effective expenditures made by the United States in the foreign policy and international arena. The American public and Congress are very clear as to the reasons for the continued U.S. support for Israel. The GAO report recognizes that Israel promotes U.S. interests by checking and deterring Soviet expansion. In addition, Israel shares with the United States its extensive battle experience and intelligence information.

The GAO report also points out the needs for Israel to purchase new arms are dictated by circumstances not controlled by Israel. For example, it acknowledges the increasing Arab threat and recognizes that it stems not only from Soviet arms flow to Arab states but to some extent from U.S. arms sales as well.

It is true, as the GAO report points out, that Israel's debt service to the United States is growing, and Israel shares the conclusion of the report that the debt service might become too burdensome in the years to come. Therefore, we repeat that more of the future military assistance should be in the form of grants and not loans.

We hear from the GAO office that the "report" on which many of the quotations are based is a misrepresentation put together by parties admittedly hostile to Israel and is not the final accurate version of the report. This might explain why the article quotes sentences which, to the best of our knowledge, are not included in the final authorized version of the report.

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